

RECEIVED

FEB 14 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of

Access Charge
Reform

)
)
)
)

CC Docket No.
96-262

Reply Comments on Access Charge Reform of:

American Association for Adult and Continuing Education; Alliance for Public Technology; Association for Gerontology and Human Development at Historically Black Colleges and Universities; ConnectMissouri; Massachusetts Assistive Technology Partnership; Missouri Center on Minority Health and Aging; National Association of Commissions for Women; National Association of Development Organizations; National Farmers Union; National Hispanic Council on Aging; The National Trust; National Latino Telecommunications Task Force; Presidents' Club for Telecommunications Justice; United Seniors Health Cooperative; United Homeowners Association; Virginia Public Interest Coalition; and the Universal Service Alliance.

4/16

Summary

The reply comment period provides the opportunity for parties to summarize and respond to the Commission and the other interested parties. The response of the organizations that filed comments as **American Association of Adult and Continuing Education et. al.** goes far beyond the written comments we file today.¹ The organizations represented joined forces with the other consumer, labor, and industry organizations to launch a national campaign to “**Keep America Connected.**”² The campaign was launched because of the threat to affordability and accessibility posed by the general direction of the rules proposed in the entire competition trilogy and by the specific proposals in the access reform NPRM. The Commission’s proposals and the proposals of many commenters would have disastrous results for the maintenance and modernization of the local network and would result in upward pressure on rates.

In these reply comments, we challenge the Commission to redirect its course by choosing the pro-consumer path that is articulated in the **Keep America Connected** guiding principles, rather than the clearly anti-consumer path presented by the major long distance companies, particularly AT&T and Sprint. These IXC’s have the audacity to recommend abolishing the carrier common line charges and raising the SLC, shifting the entire cost of the local loop to the end users. Their vague promises to pass on the savings hardly compensates for the complete reversal of a social policy of shared responsibility and universal service that has guided the development of the telecommunications network and has kept local rates affordable. Then, the IXC’s take another step down the anti-consumer

¹ Descriptions of endorsing organizations is attached.

² Campaign members, press release and statement of principles are attached.

path by decrying any attempt by the local phone company to recover historic costs.

Consumers' interests are not well-served by undermining incentives to invest in the network and they are less likely to enjoy the benefits of a modern telecommunications network any time soon if these costs are not recovered.

The Commission has never faced a more clear and stark choice of direction. It can ensure the promise of lower prices and better services for all consumers implied in the Telecommunications Act is kept or it can enact rules that discriminate against inner city citizens, rural citizens, ordinary middle class citizens, people with disabilities, older adults - - everybody, for that matter, except those blessed to be the rich urban American elite.

In these comments we will reply to the commenters that seek to destroy a universally accessible, affordable telecommunications network and recommend principles and practical options to move the Commission down the pro-consumer path promised by the Telecommunications Act of 1996.

I. Introduction

The comments submitted to the FCC in response to the access reform NPRM present a clear choice: The Commission can choose an anti-consumer approach to access reform, as presented by the major long distance companies, or it can choose an approach that protects the consumer by facilitating affordable access to an advancing public telecommunications network for all Americans.

The Commission must not forget that the primary goal of our communications laws should be to make an advanced, telecommunications network available to all people of the United States. The Commission must also realize that most of the proposals the major IXCs' presented in their comments work directly against this goal. They demonstrate a lack of concern for consumers and indicate a singular purpose -- to increase profits. All the major recommendations of the long distance companies are self-serving. They attempt to take advantage of the telecommunications network without paying their fair share.

II. The anti-consumer proposals of the IXCs

A study of the comments submitted by the major IXCs reveals the anti-consumer nature of their proposals. It also demonstrates the desire of the long distance companies not to pay their fair share of network costs:

- AT&T, MCI and Sprint all call for the equivalent of a flash-cut, prescriptive approach to access reform.

- AT&T and Sprint propose to completely eliminate the CCL charge and to raise the SLC charge on all subscriber lines to whatever amount is necessary to cover *all costs* of the local loop.
- AT&T, MCI and Sprint's proposals undermine incentives to invest in the local network.

Access reform must guide the transition to a competitive market while preserving affordability and accessibility and respecting the importance of incentives to invest in the network. On the contrary, the propositions of the IXC's will increase the costs of services for consumers, decrease accessibility and deplete network investments.

III. The effect of the IXC's proposals

A. Prescriptive "flash cuts" versus market-based approach to access reform

The long distance companies argue against the market-based approach by contending that it will not ensure the development of a competitive market. This argument is driven largely by the fact that, under the prescriptive approach to access reform, IXC's stand to reap the benefits of an immediate flash cut in access charges. By concentrating on their own profits, the IXC's fail to acknowledge the dangers the prescriptive approach presents to consumers. A flash cut in the amount long distance companies pay in access charges could leave LECs without enough revenue to cover real costs, forcing them to reduce investments in the network or to ask state commissions to increase local rates to make up the difference. Thus, there is a very strong possibility that the prescriptive approach would cause increases in local rates.

The market-based approach, on the other hand, would let access charges move downward under the Commission's price cap rules and emerging competition in the market. This natural decrease in access rates is much more favorable than the dangers presented by the prescriptive approach.

In addition, there is no reason to believe that the IXCs will pass along their savings in access charges to consumers. According to a study conducted by the National Economic Research Associates, "In 1994, AT&T failed to pass \$1.778 billion dollars on to consumers from cuts in access charges that were reduced from their 1984 levels. Annually, that means nearly two billion dollars in local phone company price reductions were kept by AT&T and not passed on to consumer." Furthermore, AT&T's behavior has "allow[ed] MCI and Sprint to follow suit, and charge inflated rates as well."³

Recent so-called pledges of the companies are riddled with holes for them to squeeze through. In full page newspaper ads and in its comments to the Commission, MCI "pledges that when the overcharges for access are abolished, MCI will pass on the savings to consumers."⁴ These pledges are reminiscent of the child who promises to be good with crossed fingers behind the back.

As we recommended in our comments and AARP et. al. echoed in theirs, the only way for consumers to be assured any savings from access reform, whether the Commission mandates them under the prescriptive or market approach, is to also mandate a direct reduction in basic long distance rates for the amount of reduction in access charges.

³ National Economic Research Associates, *An Analysis of the State of Competition in Long-Distance Telephone Markets*, 1995.

⁴ MCI Comments, page iv

B. AT&T & Sprint propose to eliminate the CCL charge and raise the SLC charge.

It is not difficult to determine what Sprint would like to do about CCL/SLC charges: "Although the NPRM asks for comments on several alternative means of common line cost recovery, it fails to mentioned the most obvious solution: lifting the cap on the SLC and recovering all common line costs assigned to the interstate jurisdiction directly from the cost causer -- the end user."⁵

This is a proposal with which AT&T fully concurs: "the Commission should remove the cap on subscriber line charges for all lines, and thereby allow the SLC to rise (where necessary) to a level that permits full recovery of the interstate portion of all loop plant-related NTS costs from the subscriber. . . ." ⁶ (emphasis supplied).

This recommendation goes far beyond the FCC's proposal to raise the SLC on non-primary lines. It advocates lifting the SLC price cap for *all* lines, primary or otherwise. Support of the local network should continue to be a shared responsibility of all users. All telecommunications providers should contribute explicitly to its affordability and modernization. In eliminating the CCL, the long distance companies are trying to rid themselves of their responsibility. They obviously see no problem in burdening consumers with the entire cost of the local loop.

AT&T does state that in raising the SLC, the commission should "[assure] that consumer prices for telecommunication services overall will fall by at least the SLC increase."⁷ However, AT&T fails to mention how that "fall" in prices is to occur, nor

⁵ Comments of Sprint Corporation, CC Docket 96-262, filed January 29, 1997, at 11.

⁶ Comments of AT&T Corp., CC Docket 96-262, filed January 29, 1997, at 53.

⁷ Id. at 53

does it even provide the kind of vague assurances of rate decreases found in the MCI brief. If the prior behavior of long distances companies is any indication, we can be sure that there will be no “fall” in long distance tolls to offset a SLC increase.⁸

The proposed increase in the SLC would result in an immediate increase in local phone bills and should be rejected. The Commission’s proposal to raise the subscriber line charge is in direct conflict with the intent of the Joint Board’s Recommendation to lower the SLC. The Commission sidesteps this fact by adding the increase on “additional lines” into a home or business. This proposal is moving in the wrong direction on a number of levels. First, the end-user should not be asked to pay more for access to the network while long distance companies are being asked to pay less. Maintaining the local loop is, and should remain, a shared responsibility between the end-user, the local phone company and the long distance company. On our comments we have suggested that the Commission consider reducing the SLC and, if necessary, collect any differences in required funds from the proposed new flat rate access charge.

A SLC increase on “additional lines” is problematic. Determining which line is the primary line is not a simple task. Multi-family residences often contain more than one line because they contain additional people who are responsible for those lines. Determining who pays the SLC increase would be difficult for the LECs and confusing and burdensome to the consumers. Also, second lines are often important or essential for the use of new information technologies that a competitive market offers. Homeowners will add a second line for a home-based business to telecommute or to allow children and teenagers to use

⁸ AT& T is well aware that SLC have a disproportionate impact on low-volume long distance users. AT&T’s position amounts to now more than passing the bill to someone else’s customer.

their computers without tying up the primary voice line. Increasing the cost of access to those lines does not advance the goal of making advance telecommunications affordable to all people.

C. Incentives to invest in the local network

AT&T denies there is any under-recovery problem: “the ‘problem’ of unrecoverable costs is entirely illusory.”⁹ Sprint states that the task of resolving the embedded cost issue is a hopeless cause.

It is easier to call a problem “illusory” when it is someone else’s problem. Recovery of legitimate costs of the network has always been a shared responsibility of all users of the network, regardless of the pricing scheme. The embedded cost issue is not a hopeless cause. An equitable means of recovering past and future costs is what is at stake in this entire proceeding.

The Communication Workers of America do not believe the problem is illusory at all. It calls for a transition mechanism to allow recovery of embedded costs that are the result of meeting public policy obligations like affordability and accessibility. CWA makes a compelling argument that the transition mechanism is necessary to minimize disruption to universal service and employment. “A sudden loss of such magnitude in the local exchange would have significant impact on incumbent LECs. The result, ...would lead to the unintended consequence of higher rates, deteriorating service quality, and fewer dollars in network investment.”¹⁰

⁹ Id. at 29.

¹⁰ CWA page 5

The Alliance for Public Technology recommends a mechanism to address the embedded cost issue and to ensure that “every company that uses the local network to deliver its services to customers be required to pay a reasonable portion of the joint and common costs of that network.”¹¹ The APT recommends replacement of the carrier common line charge and the SLC with a common facilities charge imposed on all those telecommunication carriers who use the local network to deliver services. This proposal provides an alternative mechanism for all users to pay for the use and development of the network, in contrast to the belief that CCLs can be shifted to consumers or just eliminated without having a detrimental effect on the network. Embedded cost recovery, as with recovery of future costs must maintain incentives to invest in the network if we are ever to reach the promise of a robust, modern telecommunications network accessible to all people.

Embedded costs are the result of agreements made with regulators that included long depreciation schedules that in essence, provided incentives to keep local rates down. Denial of recovery, or an inadequate recovery mechanism would undermine those incentives. In addition, it would deny companies the funds necessary to respond to market conditions for enhancements and would slow upgrades of the network in high cost areas.

Allowing the local phone companies to recover those costs from long distance companies and new competitors of local services reinforces the incentives to upgrade and modernize the network. As competition develops in the marketplace, it is essential that public policy be driven by the goal of achieving affordable access to the most modern, high

¹¹ APT page 6

capacity, switched digital network that will enable every home and business to send and receive video, voice, data and graphic content.

Requiring the long distance companies to pay a fixed amount for those embedded costs would be appropriate, since access charges as currently calculated have not accurately reflected those costs.

IV. Principles for the Commission to Follow to *Keep America Connected*.

Consumers, labor and industry organizations agreed to a set of principles that the Commission should also consider as it proceeds on access reform¹². The principles assume that our public policy goal is affordable access to the most modern, high capacity, switched digital network that is pursued in a manner consistent with growing competition in the marketplace. The principles' preamble reaffirms the necessity of telephone service as an essential lifeline and acknowledges the increased importance of telecommunications technology as a prerequisite to education, employment, training, commercial health care, community building, civic participation and other ways people contribute to society.

For the 28 endorsing organizations, representing millions of citizens, these principles represent the way to ensure accessibility and affordability. The groups launched the campaign because they believe "the FCC has shattered the vision of a world of telemedicine, distance education, remote work stations, videoconference that would have

¹²Keep America Connected Statement of Principles.

brought all Americans -- regardless of where we live and regardless of age or disability -- closer together to benefit from one another's resources."¹³

We challenge the Commission to accept these principles and allow them to guide the decision-making on the access reform and universal service proceedings. The Commission should evaluate their own proposals in the access reform NPRM and the comments of the IXC to determine their consistency with the standards of affordability and accessibility articulated in the principles. Using these principles, the IXC's proposals for abolition of the carrier common line charges should be rejected, the SLC increase should also be rejected and the Commission should allow reasonable recovery of embedded costs. Furthermore, the Commission should accept our recommendation, that was shared by AARP et. al.,¹⁴ for a dollar-for-dollar reduction in basic long distance rates for every dollar reduction in access charges.

For the above referenced consumer organizations:

by 

David J. Newburger
Newburger & Vossmeier
One Metropolitan Square, Suite 2400
St. Louis, Missouri 63102
Voice/TDD: 314/436-4300
Telecopier: 314/436-9636
ORGANIZATION DESCRIPTIONS

- **Alliance for Public Technology;** Founded in 1988, the Alliance is an association of organizations and individuals concerned with fostering access to affordable and usable information and communications technology and services by all people.

¹³ Statement of David Newburger, Chair of the Keep America Connected Campaign, attached.

¹⁴ See, Initial Comments of AARP et al, page 17.

- **American Association for Adult and Continuing Education;** The nation's premier organization dedicated to enhancing lifelong learning for all adult learners through adult education and training. Members include administrators of colleges or universities, state and community agencies, businesses like IBM and large book companies, and the military; all are involved in adult and continuing education
- **Association for Gerontology and Human Development at Historically Black Colleges and Universities;** a non profit organization established in 1980 for the purpose of fostering exchange of resources and sharing knowledge among individuals committed to improving the quality of life for the elderly, especially racial/ethnic minorities and women. The goal of the AGHD-HBCU is to provide activities that will contribute to developing, expanding and improving education, research training and service programs in gerontology and geriatrics. Membership includes educators, practitioners in health and human services, legal professionals, academic institutions, aging service organizations, students and older adults.
- **ConnectMissouri;** a citizen organization led by a steering committee of more than 40 volunteers who joined together around the telecommunications issue to ensure that all Missourians, not just those living or working in downtowns of major cities and rich suburbs, will have access to the new telecommunications technology that will be the hallmark of the Information age. ConnectMissouri participants are a consortium of rural, inner city, disability rights, older adult, and economic development advocates. They have participated in mostly State and some Federal legislative and administrative proceedings over the last four years.
- **Massachusetts Assistive Technology Partnership;** The purpose of MATP is to increase access to assistive technology for people of all ages and disabilities through a variety of consumer responsive systems change activities. The MATP provides statewide information and referral on assistive technology products and services; advocates for individuals in accessing funding; publishes a news letter and operates an electronic bulletin board and provides a wide variety of information to guide individuals to assistive technology resources.
- **Missouri Center on Minority Health and Aging;** The vision of the Missouri Center on Minority Health and Aging is to bring together the resources of the public and private sectors, higher education and the community to enhance the quality of life of Missouri's minority aging population.
- **National Association of Commissions for Women;** a non-partisan membership organization composed of regional, state, county and local commissions created by government to improve the status of women.
- **National Association of Development Organizations;** Since its founding in 1967 NADO had been the leading advocate for a regional approach to economic

development. NADO promotes regional economic development programs in America's small cities and rural areas. NADO member, known as economic development districts, councils of governments and regional planning commissions, administer economic and community development programs designed to create jobs and improve the quality of life in America.

- **National Farmers Union;** National Farmers Union, founded in 1902, is a general farm organization whose members joined together to map out and work together for a comprehensive program for rural America. NFU has some 300,000 families in its membership and every state in the union is represented. NFU represent every commodity and type of ag production imaginable including ranchers, grain producers, fish farmers, and fruit and vegetable producers.
- **National Hispanic Council on Aging;** The Council was established in 1980 to meet the needs of the older Hispanic population. In addition to the local chapters around the country, the organization has individual members numbering over 2,000. The national office works on policy issues that affect the older Hispanic population. The local chapters work on local issues that affect Hispanics
- **The National Trust;** The National Trust for the Development of African American Men is a national non-profit organization based in Washington, DC that addresses the development, needs and challenges of African-Americans, especially males, in the areas of health, leadership training, economic development, education, and crime prevention from an African view of the world.
- **National Latino Telecommunications Task Force;** A coalition of private businesses, non-profit organizations and individuals concerned with the role of Latinos in the development of the National Information Infrastructure. NLTT is a project sponsored by the Hispanic Association on Corporate Responsibility.
- **Presidents Club for Telecommunications Justice;** The Presidents Club is a group of past and present presidents, board chairs and executive directors who advocate for universal access to new telecommunications technologies.

United Seniors Health Cooperative; USHC is a consumer based organization serving older people in the Washington, DC area as well as across the country. Its primary purpose has been to help older adults understand and take advantage of public and private benefits and services available to them. United Seniors regularly provides Congressional testimony on aging, health and consumer issues.

- **Virginia Public Interest Coalition;** is an informal group of individuals and organizations concerned about the public interest and telecommunications in Virginia. The Coalition was formed to ensure that a consumer voice representing the interests of educators, the elderly, people with disabilities, workers and others is heard during the public debate on telecommunications issues.

- **Universal Service Alliance;** a coalition consisting of diverse organizations and community leaders serving low income, elderly, disabled and rural consumers throughout California. The coalition was formed in response to the California Public Utilities Commission's (CPUC) efforts to introduce competition in local exchange markets without adequate rules to protect and advance universal service. USA has been an active participant in the CPUC's universal service proceeding and was instrumental in negotiating an agreement with Pacific Bell for the establishment of a Community Technology Foundation as part of the SBC-Pacific Bell merger proceeding.
- **United Homeowners Association;** UHA is a nationwide, non-profit membership based organization of homeowners and those housing professionals and housing related businesses that wish to promote and protect homeownership.

ORGANIZATION DESCRIPTIONS

- **Alliance for Public Technology;** Founded in 1988, the Alliance is an association of organizations and individuals concerned with fostering access to affordable and usable information and communications technology and services by all people.
- **American Association for Adult and Continuing Education;** The nation's premier organization dedicated to enhancing lifelong learning for all adult learners through adult education and training. Members include administrators of colleges or universities, state and community agencies, businesses like IBM and large book companies, and the military; all are involved in adult and continuing education
- **Association for Gerontology and Human Development at Historically Black Colleges and Universities;** a non profit organization established in 1980 for the purpose of fostering exchange of resources and sharing knowledge among individuals committed to improving the quality of life for the elderly, especially racial/ethnic minorities and women. The goal of the AGHD-HBCU is to provide activities that will contribute to developing, expanding and improving education, research training and service programs in gerontology and geriatrics. Membership includes educators, practitioners in health and human services, legal professionals, academic institutions, aging service organizations, students and older adults.
- **ConnectMissouri;** a citizen organization led by a steering committee of more than 40 volunteers who joined together around the telecommunications issue to ensure that all Missourians, not just those living or working in downtowns of major cities and rich suburbs, will have access to the new telecommunications technology that will be the hallmark of the Information age. ConnectMissouri participants are a consortium of rural, inner city, disability rights, older adult, and economic development advocates. They have participated in mostly State and some Federal legislative and administrative proceedings over the last four years.
- **Massachusetts Assistive Technology Partnership;** The purpose of MATP is to increase access to assistive technology for people of all ages and disabilities through a variety of consumer responsive systems change activities. The MATP provides statewide information and referral on assistive technology products and services; advocates for individuals in accessing funding; publishes a news letter and operates an electronic bulletin board and provides a wide variety of information to guide individuals to assistive technology resources.
- **Missouri Center on Minority Health and Aging;** The vision of the Missouri Center on Minority Health and Aging is to bring together the resources of the public and private sectors, higher education and the community to enhance the quality of life of Missouri's minority aging population.

- **National Association of Commissions for Women;** a non-partisan membership organization composed of regional, state, county and local commissions created by government to improve the status of women.
- **National Association of Development Organizations;** Since its founding in 1967 NADO had been the leading advocate for a regional approach to economic development. NADO promotes regional economic development programs in America's small cities and rural areas. NADO member, known as economic development districts, councils of governments and regional planning commissions, administer economic and community development programs designed to create jobs and improve the quality of life in America.
- **National Farmers Union;** National Farmers Union, founded in 1902, is a general farm organization whose members joined together to map out and work together for a comprehensive program for rural America. NFU has some 300,000 families in its membership and every state in the union is represented. NFU represent every commodity and type of ag production imaginable including ranchers, grain producers, fish farmers, and fruit and vegetable producers.
- **National Hispanic Council on Aging;** The Council was established in 1980 to meet the needs of the older Hispanic population. In addition to the local chapters around the country, the organization has individual members numbering over 2,000. The national office works on policy issues that affect the older Hispanic population. The local chapters work on local issues that affect Hispanics
- **The National Trust;** The National Trust for the Development of African American Men is a national non-profit organization based in Washington, DC that addresses the development, needs and challenges of African-Americans, especially males, in the areas of health, leadership training, economic development, education, and crime prevention from an African view of the world.
- **National Latino Telecommunications Task Force;** A coalition of private businesses, non-profit organizations and individuals concerned with the role of Latinos in the development of the National Information Infrastructure. NLTT is a project sponsored by the Hispanic Association on Corporate Responsibility.
- **Presidents Club for Telecommunications Justice;** The Presidents Club is a group of past and present presidents, board chairs and executive directors who advocate for universal access to new telecommunications technologies.

United Seniors Health Cooperative; USHC is a consumer based organization serving older people in the Washington, DC area as well as across the country. Its primary purpose has been to help older adults understand and take advantage of

public and private benefits and services available to them. United Seniors regularly provides Congressional testimony on aging, health and consumer issues.

- **Virginia Public Interest Coalition;** is an informal group of individuals and organizations concerned about the public interest and telecommunications in Virginia. The Coalition was formed to ensure that a consumer voice representing the interests of educators, the elderly, people with disabilities, workers and others is heard during the public debate on telecommunications issues.
- **Universal Service Alliance;** a coalition consisting of diverse organizations and community leaders serving low income, elderly, disabled and rural consumers throughout California. The coalition was formed in response to the California Public Utilities Commission's (CPUC) efforts to introduce competition in local exchange markets without adequate rules to protect and advance universal service. USA has been an active participant in the CPUC's universal service proceeding and was instrumental in negotiating an agreement with Pacific Bell for the establishment of a Community Technology Foundation as part of the SBC-Pacific Bell merger proceeding.
- **United Homeowners Association;** UHA is a nationwide, non-profit membership based organization of homeowners and those housing professionals and housing related businesses that wish to promote and protect homeownership.

Keep America Connected!

National Campaign for Affordable Telecommunications

Participating Organizations

- **Alliance for Public Technology;** Founded in 1988, the Alliance is an association of organizations and individuals concerned with fostering access to affordable and usable information and communications technology and services by all people.
- **Alpha One;** Alpha One is Maine's largest living center providing information and services to more than 5000 people annually. Consumers of services have a wide range of disabilities including physical, sensory, developmental and multiple. Four offices located statewide enable thirty professional staff, many with disabilities themselves, to respond to the diverse needs of people across Maine. Alpha One is also a leading advocate in shaping public policy to address and integrate the needs of people with disabilities. Past and current efforts include community accessibility, mainstreaming, affordable and accessible health care, and more recently, telecommunications.
- **American Association for Adult and Continuing Education;** The nation's premier organization dedicated to enhancing lifelong learning for all adult learners through adult education and training. Members include administrators of colleges or universities, state and community agencies, businesses like IBM and large book companies, and the military; all are involved in adult and continuing education
- **Association for Gerontology and Human Development at Historically Black Colleges and Universities;** a non profit organization established in 1980 for the purpose of fostering exchange of resources and sharing knowledge among individuals committed to improving the quality of life for the elderly, especially racial/ethnic minorities and women. The goal of the AGHD-HBCU is to provide activities that will contribute to developing, expanding and improving education, research training and service programs in gerontology and geriatrics. Membership includes educators, practitioners in health and human services, legal professionals, academic institutions, aging service organizations, students and older adults.
- **Communications Workers of America;** CWA represents more than 600,000 workers in the telecommunications industry and in other areas. Its members work in all segments of the industry - long distance, local exchange and information services.
- **ConnectMissouri;** a citizen organization led by a steering committee of more than 40 volunteers who joined together around the telecommunications issue to ensure that all Missourians, not just those living or working in downtowns of major cities and rich suburbs, will have access to the new telecommunications technology that will be the hallmark of the Information age. ConnectMissouri participants are a consortium of rural, inner city, disability rights, older adult, and economic development advocates. They have participated in mostly State and some Federal legislative and administrative proceedings over the last four years.
- **Florida Association for the Deaf;** an affiliate of the National Association for the Deaf, an organization of and for deaf adults.
- **MCIL Resources for Independent Living;** formerly known as the Maryland Center for Independent Living, it is the major independent living center of Baltimore, Maryland. It offers information and referral services, peer counseling and related services for adults with disabilities to help them to design an implement plans for living in the community with minimal assistance from others.

- **Massachusetts Assistive Technology Partnership;** The purpose of MATP is to increase access to assistive technology for people of all ages and disabilities through a variety of consumer responsive systems change activities. The MATP provides statewide information and referral on assistive technology products and services; advocates for individuals in accessing funding; publishes a news letter and operates an electronic bulletin board and provides a wide variety of information to guide individuals to assistive technology resources.
- **Missouri Center on Minority Health and Aging;** The vision of the Missouri Center on Minority Health and Aging is to bring together the resources of the public and private sectors, higher education and the community to enhance the quality of life of Missouri's minority aging population.
- **National Association of Commissions for Women;** a non-partisan membership organization composed of regional, state, county and local commissions created by government to improve the status of women.
- **National Association of Development Organizations;** Since its founding in 1967 NADO has been the leading advocate for a regional approach to economic development. NADO promotes regional economic development programs in America's small cities and rural areas. NADO member, known as economic development districts, councils of governments and regional planning commissions, administer economic and community development programs designed to create jobs and improve the quality of life in America.
- **National Council of Senior Citizens;** an advocacy organization dedicated to the belief that America's elderly, like America's youth, are worthy of the best that this nation can give. NCSC was founded in 1961, born in the struggle over Medicare, its first successful achievement on behalf of senior citizens. NCSC, which currently has a membership of over 5,000 senior citizen clubs with a total membership of five million, continues to speak out on behalf of the elderly.
- **National Farmers Union;** National Farmers Union, founded in 1902, is a general farm organization whose members joined together to map out and work together for a comprehensive program for rural America. NFU has some 300,000 families in its membership and every state in the union is represented. NFU represents every commodity and type of production imaginable including ranchers, grain producers, fish farmers, and fruit and vegetable producers.
- **National Hispanic Council on Aging;** The Council was established in 1980 to meet the needs of the older Hispanic population. In addition to the local chapters around the country, the organization has individual members numbering over 2,000. The national office works on policy issues that affect the older Hispanic population. The local chapters work on local issues that affect Hispanics.
- **National Hispanic Law Enforcement Association;** a non-profit organization that promotes the development of Hispanics in the law enforcement field. Nationwide this organization has over 5000 members from city, county, state and federal agencies such as Park Police, Secret Service, Federal Protection Service and the FBI.
- **The National Trust;** The National Trust for the Development of African American Men is a national non-profit organization based in Washington, DC that addresses the development, needs and challenges of African-Americans, especially males, in the areas of health, leadership training, economic development, education, and crime prevention from an African view of the world.
- **National Latino Telecommunications Task Force;** A coalition of private businesses, non-profit organizations and individuals concerned with the role of Latinos in the development of the National Information Infrastructure. NLTT is a project sponsored by the Hispanic Association on Corporate Responsibility.

- **Northern Virginia Resource Center for Deaf and Hard of Hearing Persons;** a support center for deaf and hearing-impaired individuals in Fairfax County, Virginia. It provides a full range of information and referral services for people with hearing loss, and their families.
- **Palm Beach County Association of the Deaf, Inc.;** Palm Beach County Association of the Deaf (PBCAD) is representing approximately 110,000 Deaf and Hard of Hearing people living in this county. Palm Beach County Association of the Deaf is affiliated with Florida Association of the Deaf which is also affiliated with the National Association of the Deaf. PBCAD recognizes the long-standing importance of universal service for the deaf and hard of hearing community.
- **Presidents Club for Telecommunications Justice;** The Presidents Club is a group of past and present presidents, board chairs and executive directors who advocate for universal access to new telecommunications technologies.
- **United Seniors Health Cooperative;** USHC is a consumer based organization serving older people in the Washington, DC area as well as across the country. Its primary purpose has been to help older adults understand and take advantage of public and private benefits and services available to them. United Seniors regularly provides Congressional testimony on aging, health and consumer issues.
- **Universal Service Alliance;** a coalition consisting of diverse organizations and community leaders serving low income, elderly, disabled and rural consumers throughout California. The coalition was formed in response to the California Public Utilities Commission's (CPUC) efforts to introduce competition in local exchange markets without adequate rules to protect and advance universal service. USA has been an active participant in the CPUC's universal service proceeding and was instrumental in negotiating an agreement with Pacific Bell for the establishment of a Community Technology Foundation as part of the SBC-Pacific Bell merger proceeding.
- **United States Telephone Association;** The nation's only forum for the small, mid-size and large companies of the local exchange carrier industry. USTA's more than 1,000 member companies nationwide represent more than 95% of the nation's local access lines. From ALLTEL in Leeds, Alabama to Zumbrota Telephone Company in Clara City, Minnesota, our members have total revenues from domestic telecommunications operations of approximately \$100 billion.
- **United Homeowners Association;** UHA is a nationwide, non-profit membership based organization of homeowners and those housing professionals and housing related businesses that wish to promote and protect homeownership.
- **Virginia Public Interest Coalition;** is an informal group of individuals and organizations concerned about the public interest and telecommunications in Virginia. The Coalition was formed to ensure that a consumer voice representing the interests of educators, the elderly, people with disabilities, workers and others is heard during the public debate on telecommunications issues.
- **World Institute on Disability;** a public policy center run by persons with disabilities. Its goal is to use research, public education, training and model program development as a means to create a more accessible and supportive society for all people. It also serves as a center for the international exchange of information that is important for the disabled.
- **Youth Entrepreneurial Leadership Institute;** YELI was founded in July 1995 as a model initiative that encourages and assists low-income youth in expanding their career goals and prospects for personal and economic success through practical and theoretical education in entrepreneurship with a focus on technology preparedness, leadership skills, character development, life planning and cooperative learning.

Keep America Connected!

National Campaign for Affordable Telecommunications



Statement of Principles

Affordable access to the new era of telecommunications services and the promise of health, education and community benefits is as critical today as was access to the old rotary dial telephone.

Traditional telephone service has always been understood to be an essential lifeline to the world for all people, especially older Americans, people with disabilities, children and families, rural and inner city America. As we enter the 21st century, we are also entering an era in which telecommunications and technology are increasingly prerequisites to education, employment, training, commercial activity, health care, community building, civic participation and other ways people contribute to society.

The public policy goal of affordable access to the most modern, high capacity, switched digital network should be pursued in a manner consistent with growing competition in the marketplace.

To further this goal, telecommunications policy must be based upon these principles:

- A consensus has been reached in our nation that all people -- regardless of income, race, disability, age, ethnicity or geographic location -- should have affordable access to the use of the modern telecommunications infrastructure and services. This essential goal is best achieved through the rapid development of a fully competitive marketplace which will bring more services at lower prices to consumers across the nation. The role of government in meeting this goal is to adopt policies which facilitate the movement to a competitive market as rapidly as possible and provide essential support for universal service.
- Each business and residential customer receives value from the connection of every other customer to a universal network. Therefore, support of the local network should continue to be a shared responsibility of all users. All telecommunications providers should contribute explicitly to its affordability and modernization.
- Access charge reform must guide the transition to a competitive market while preserving affordability and accessibility and respecting the importance of incentives to invest in the network.

- America cannot be divided into a society of the information haves and have nots. Universal service programs and policies for local telephone service in high cost areas must be continued in order to ensure affordable rates. The FCC must recognize the importance of predictable, sufficient funding that can be relied on by customers to ensure the availability of affordable universal service.
- To assure that the public network is universally available, and that it provides a level of service that matches the needs of society, we cannot allow new competitors access to the public switched network at artificially low prices. New interconnection agreements must preserve incentives to invest in network infrastructure and promote facilities-based competition. State regulators historically have been able to balance these competing interests in setting local rates. Primary responsibility for interconnection rate setting should remain with the states as provided by law.
- The telecommunications infrastructure was built and operated by dedicated workers. Its continued quality and modernization will depend on a secure and highly skilled workforce.
- We support efforts to ensure that schools, libraries, and community-based non-profit organizations operating in the public interest are able to provide access to advanced telecommunication technologies and to offer the training which will help ensure that everyone can participate in the Information Age.

Keep America Connected!

National Campaign for Affordable Telecommunications

**For Immediate Release:
February 11, 1997**

**For More Information Contact:
Angela Ledford 202-842-4080**

Consumer, Industry, Labor Coalition Launches Campaign for Affordable Telecommunications.

***Keep America Connected* Takes Aim at FCC's Misguided Rules.**

WASHINGTON, D.C -- In a rare show of unity, consumers, labor and industry have joined together to preserve affordable phone service and maintain incentives to invest in the local network. Today, the groups launched a national campaign, called Keep America Connected, targeting proposed Federal Communication Commission (FCC) rules it believes are destined to raise rates and threaten service quality.

The FCC is in the midst of a rulemaking procedure that will implement the mandates of the 1996 Telecommunications Act. Their interpretation of the new law will guide the move from a regulated to a competitive telecommunication's marketplace. Consumers fear the new law, if not implemented correctly, could deprive them of the promised benefits of lower prices and better service.

"The FCC rules are headed in the wrong direction and we are here to change the course," said David Newburger, Campaign Chair and Executive Director of ConnectMissouri. "The FCC's proposals pose a dangerous threat to the accessibility of modern telecommunications for all consumers. Our goal in joining with industry and labor today is to call for rules that promote universal affordability and accessibility."

The Keep America Connected Campaign brings together 27 organizations representing older Americans, people with disabilities, rural and inner city residents, people of color, lower income citizens and homeowners. The groups all agree to a statement of principles that asserts the importance of accessible telecommunications for daily life and the importance of public policy that leads to a modern information infrastructure available to all people. The principles take specific aim at the FCC's rules on interconnection, access reform and universal service.

"These principles are vitally important as our nation moves from monopoly to competition in the local exchange," said Barbara Esterling, CWA Secretary-Treasurer. "They should guide the FCC as it writes the rules which implement the 1996 Telecommunications Act. Telecommunications reform offered the promise of expanded investment, affordable access to advanced Telecommunications services, and the creation of hundreds of thousands of good jobs in the industry. We want to be certain that this promise is fulfilled."

"The local telephone industry joins the Keep America Connected Campaign in its concern about the ability to preserve the integrity of the network and maintain universally affordable telephone service," said Roy Neel, president and chief executive officer of the United States Telephone Association. "If the FCC continues down the path it laid with its interconnection order, the 1996 Telecommunications Act will never realize the promises Congress made to American consumers."

The Keep America Connected Campaign plans to focus its attention on educating consumers, the FCC, and members of Congress about the need for better rules to protect access and affordability. The Campaign will file comments on the FCC proceedings, take their message to the media nationwide, and hold briefings for interested organizations and Congressional staff.